

Amend Section 480.4 of the Property Taxes Law to authorize the Board to prescribe the content and form of the preliminary change in ownership report, after consultation with the California Assessors' Association.

Source: Honorable Chairwoman Carole Migden

Existing law requires a "Preliminary Change in Ownership Report" to be filed whenever any document affecting a change in ownership is recorded with the county recorder. Taxpayers, however, do not have to file the form if they pay a \$20 fee. The form provides the assessor with the necessary information to determine if a change in ownership occurred, or if the transfer may be eligible for an exclusion from reassessment. It also provides information needed to value the property for tax purposes.

Under current law, the form of the report is embedded in the statute; therefore any significant modification to the form requires legislation. This proposal would instead allow the Board of Equalization (Board) to prescribe the form, after consultation with the California Assessors' Association, consistent with the provisions for most other forms. The Board could therefore more easily make modifications and improvements to the Preliminary Change of Ownership Report to create a more user-friendly form, for taxpayers and assessors, without the necessity of seeking legislation to modify the form.

Section 480.4 of the Revenue and Taxation Code is amended to read:

480.4. (a) The preliminary change of ownership report referred to in Section 480.3 shall be declared to be true under penalty of perjury and shall give that information relative to the transfer as the board shall prescribe after consultation with the California Assessors' Association. The information shall include, but not be limited to, a description of the property, the parties to the transaction, the date of acquisition, the amount, if any, of the consideration paid for the property, whether paid in money or otherwise, and the terms of the transaction. The preliminary change in ownership report shall not include any question that is not germane to the assessment function. in substantially the following form:

PRELIMINARY CHANGE OF OWNERSHIP REPORT

~~(To be completed by transferee (buyer) prior to transfer of subject property in accordance with Section 480.3 of the Revenue & Taxation Code.)~~

~~FOR RECORDER: Recorded Book , Page , Date Document No.~~

~~SELLER:~~

~~BUYER: FOR ASSESSOR'S~~

~~A.P. #(s): USE ONLY:~~

LEGAL DESCRIPTION:

ADDRESS (if improved):

MAIL TAX INFORMATION TO: Name: _____

Address: _____

NOTICE: A lien for property taxes applies to your property on January 1 of each year for the taxes owing in the following fiscal year, July 1 through June 30. One half of these taxes is due November 1, and one half is due February 1. The first installment becomes delinquent on December 10, and the second installment becomes delinquent on April 10. One tax bill is mailed before November 1 to the owner of record. If this transfer occurs after January 1 and on or before December 31, you may be responsible for the second installment of taxes due February 1. The property which you acquired may be subject to a supplemental tax assessment in an amount to be determined by the (name of county) County Assessor. For further information on your supplemental roll tax obligation, please call the (name of county) County Assessor at (phone number).

1. Transfer Information: A. Was this transfer solely between husband & wife, addition of a spouse, death of a spouse, divorce settlement, etc.? a. ☐ YES b. ☐ NO

B. Was this transaction only a correction of the name(s) of the person(s) holding title to the property? a. ☐ YES b. ☐ NO

C. Was this document recorded to create, terminate, or reconvey a lender's interest in the property? a. ☐ YES b. ☐ NO

D. Was this document recorded to substitute a trustee under a deed of trust, mortgage, or other similar document? a. ☐ YES b. ☐ NO

E. Did this transfer result in the creation of a joint tenancy in which the seller (transferor) remains as one of the joint tenants? a. ☐ YES b. ☐ NO

F. Return of property to person who created the joint tenancy? a. ☐ YES b. ☐ NO

G. Is this transfer of property: a. to a trust for the benefit of the grantor? a. ☐ YES b. ☐ NO

b. to a revocable trust? a. ☐ YES b. ☐ NO c. to a trust from which the property reverts to the grantor within 12 years? a. ☐ YES b. ☐ NO

H. If this property is the subject of a lease, is the lease for a term of less than 35 years including written options? a. ☐ YES b. ☐ NO

I. If the conveying document constitutes an exclusion from a change in ownership as defined in Section 62 of the Revenue & Taxation Code for any reason other than those listed above, set forth the specific exclusions claimed:

* IF YOU HAVE ANSWERED "NO" TO QUESTIONS A THROUGH H, INCLUSIVE, AND HAVE NOT CLAIMED ANY OTHER EXCLUSIONS UNDER I, PLEASE COMPLETE BALANCE OF FORM. OTHERWISE SIGN AND DATE.

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2. Type of property transferred:

a. ☐ Single family residence

b. ☐ Multiple family residence (no. of units: _____)

- c. ☐ Co-op
d. ☐ Condo
e. ☐ Manufactured home
f. ☐ Unimproved lot
g. ☐ Commercial/Industrial
h. ☐ Other (description: _____)
3. Intended as principal residence? a. ☐ YES b. ☐ NO
4. Transfer is by:
a. ☐ Deed; b. ☐ Contract of sale;
c. ☐ Other—explain:
5. Is less than 100% of property being transferred? a. ☐ YES b. ☐ NO
6. a. ☐ Date of transfer or; b. ☐ If an inheritance,
date of death
7. Is or will, the property produce(ing) income? a. ☐ YES b. ☐ NO
8. If answer to Question 4 is yes, is income pursuant to:
a. ☐ Lease; b. ☐ Contract; c. ☐ Mineral rights;
d. ☐ Other—explain:
9. Did the transfer of this property involve the trade or exchange of other real
property? a. ☐ YES b. ☐ NO
10. a. Total Purchase Price or Acquisition Price, If Exchanged: \$
b. Cash Downpayment or Value of Trade (excluding closing costs): \$
c. 1st Deed of Trust \$ at _____% interest for _____ years.
New Loan ☐; Assumed Existing Loan Balance ☐; FHA ☐; Cal-Vet ☐; VA ☐; Bank ☐
; Finance Co. ☐; Savings & Loan ☐; Loan Carried By Seller ☐; All Inclusive ☐;
Balloon Payment: Yes ☐ No ☐.
d. 2nd Deed of Trust \$ at _____% interest for _____ years.
New Loan ☐; Assumed Existing Loan Balance ☐; Loan Carried By Seller ☐;
Balloon Payment: Yes ☐ No ☐.
e. Was other type of financing involved not covered in (c) or (d), above? a. ☐ YES b.
☐ NO
f. Improvement Bond: Yes ☐ No ☐; Outstanding Balance \$
11. Was any personal property involved in a. ☐ YES b. ☐ NO purchase other than a
manufactured home c. AMOUNT real property?
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I certify that the foregoing is true, correct, and complete to the best of my knowledge
and belief.
Signed _____ Date:
(New Owner/Corporate Officer)
Address if other than above
Phone No. Where You Are Available From 8:00 am–5:00 pm: ☐
(NOTE: The Assessor may contact you for further information.)

~~(b) The State Board of Equalization may revise the preliminary change of ownership report, as necessary, for the purpose of maintaining statewide uniformity in the contents of the report.~~

~~(c) This section shall become operative on July 1, 1991.~~